Clearance of Cargo at Airports

970. SHRI SOLIPETA RAMACHANDRA REDDY: Will the Minister of FINANCE be pleased to state:

(a) the details of the new rules framed on cargo clearance at the airports; and

(b) the effective steps taken to reduce the time taken in cargo clearance?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (BANKING, REVENUE AND INSURANCE) (SHRI KADAMBUR M. R. JANARTHANAN): (a) and (b) No new rules have been framed for clearance of cargo at Airports. However, a number of instructions have been issued and steps taken for expediting cargo clearance at the air cargo complexes of international airports. These include increased two-shift working hours, reduced and selective examinations of import/export cargo before clearance, complete exemption of perishable export cargo from routine customs examination, and retention of only selected few packages in the examination area and allowing movement of the rest to Bonded area. Fast Track Clearance Scheme has also been introduced which allows selected importers to clear their goods on self-assessment basis without physical examination of the said goods at the ports/airports.

EDI system of processing of import and export documents has been introduced at number of major Custom Houses and Cargo Complexes.

A special procedure has been adopted to clear unclaimed and uncleared cargo from ports/airports to free more operational area for expeditious movement of cargo. In addition, importers have been allowed to file and process their documents one month before the arrival of the vessel or aircraft.

Negative Impact of Mandatory Quotation of Pan

971. SHRI P. PRABHAKAR REDDY: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that w.e.f. 1st November, 1998 quoting of Permanent Account Number (PAN) has been made mandatory with regard to certain transactions like opening of Bank or Post Office savings bank accounts exceeding Rs. 50,000/-, sale or purchase of immovable property exceeding Rs. 5 lakhs or sale or purchase of a motor vehicle;

(b) if so, the reasons therefor; and

(c) whether Government are aware of the negative impact of this step on the economic activity especially when industrial and capital market continues to be depressed?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (BANKING, REVENUE AND INSURANCE) (SHRI KADAMBUR M. R. JANARTHANAN): (a) Quoting of Permanent Account Number (PAN) or General Index Register Number (GIR No.) is necessary in certain specified transactions w.e.f. 1st November, 1998. However, a person who does not have either PAN or GIR No. may file a simple declaration if he is making payment for these transactions in cash or otherwise than by crossed cheque or crossed draft.

(b) The requirement to quote PAN or GIR No. is a major initiative taken by the Government to curb tax evasion. These provisions are expected to prove a deterrent against unchecked use of unaccounted money in high value transactions by persons without identifying themselves. By compelling persons to report such transactions and state their true income, this step will help in increasing the tax collection and also in widening the tax base.